

REPORT BY THE
AUDITOR GENERAL
OF CALIFORNIA

**A REVIEW OF ALLEGATIONS
OF SERVICE DISRUPTIONS FOR
DEVELOPMENTALLY DISABLED CLIENTS
OF THE SAN GABRIEL VALLEY
REGIONAL CENTER**

REPORT BY THE
OFFICE OF THE AUDITOR GENERAL

P-573

A REVIEW OF ALLEGATIONS OF SERVICE
DISRUPTIONS FOR DEVELOPMENTALLY
DISABLED CLIENTS OF THE SAN GABRIEL
VALLEY REGIONAL CENTER

MAY 1986



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Thomas W. Hayes
Auditor General

May 30, 1986

P-573

Honorable Art Agnos, Chairman
Members, Joint Legislative
Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

The Office of the Auditor General presents its report concerning allegations of service disruptions for developmentally disabled clients of the San Gabriel Valley Regional Center. We found that service was disrupted for some clients because a new contracting agency, Inland Regional Center, introduced new systems and policies. We were, however, unable to substantiate claims that the Inland Regional Center sought to eliminate eligibility for regional center programs or drastically reduced or eliminated client services.

A Los Angeles Superior Court found that clients of the regional center were not provided adequate representation on the Inland Regional Center governing board, and the court has ordered that the regional center be turned over to a locally controlled contracting agency by July 1, 1986.

Respectfully submitted,

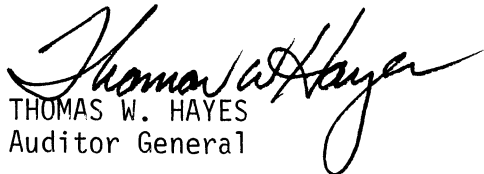

THOMAS W. HAYES
Auditor General

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SUMMARY

The services of some developmentally disabled clients in the San Gabriel Valley were disrupted after the Department of Developmental Services (department) awarded the regional center contract for the San Gabriel Valley to Inland Counties Regional Center (IRC). The service disruptions occurred when the IRC introduced a new case management system, implemented accounting controls, revised policies for the purchasing of services for clients, and redetermined clients' eligibility for receiving regional center services. We were, however, unable to substantiate the claims made by parents and service providers that the IRC has drastically reduced or eliminated client services or improperly sought to limit or deny clients' eligibility for regional center programs. In addition, according to a court decision, the developmentally disabled clients are not adequately represented on the IRC's board of directors by residents of the area served by the IRC. Therefore, residents of the San Gabriel Valley cannot adequately participate in establishing policies that govern the regional center.

Service Disruptions

Before July 1, 1985, the department contracted with the San Gabriel Valley Regional Center, Inc. (SGVRC), to operate a developmental disabilities regional center in the San Gabriel Valley. The department did not renew the SGVRC contract for fiscal year 1985-86 because the SGVRC was not properly managing the regional center. On July 1, 1985, the IRC assumed responsibility for the San Gabriel Valley regional center at the same location used by the SGVRC.

Many clients' services were disrupted after the IRC introduced a new case management system. State law requires that the regional

center assign a case counselor to each client, and the department budgets for 62 clients to each counselor (62:1). However, after taking over from the SGVRC, the IRC found a ratio of 73 clients to each counselor and identified over 800 cases that had not been assigned to case counselors. The IRC introduced a new case management system that requires each client to have a case counselor and limits the caseload ratio to 62 clients to each counselor. In the process of introducing the new system, the IRC changed the counselors of many clients. The result was a disruption of service for these clients.

Moreover, clients' services were disrupted after the IRC implemented accounting controls. In 10 of the 47 cases we reviewed, clients alleged that the IRC was late in sending their Supplemental Security Income (SSI) payments to them. The SGVRC sent SSI payments to clients before it had received the funds from the federal government; as a result, some clients received more SSI money than they were entitled to. The IRC implemented accounting controls that prohibit monies from being paid out before they are received from the federal government. Consequently, clients received their SSI payments later in the month from the IRC than from the SGVRC.

Clients also experienced service disruptions after the IRC revised the SGVRC policies for purchasing client services. For example, the SGVRC's policy had allowed 36 hours of respite care per month to give a client's relatives or guardians rest or vacation from caring for the client. In contrast, the IRC policy restricts the use of the 36 hours of respite care to emergencies or to the protection of the client's health. As a result, the IRC denied respite services for parents and guardians in 6 of the 47 cases that we reviewed. However, in 4 of the 6 cases, the IRC reinstated the respite services.

In addition, the services to some clients were disrupted when the IRC made policy changes to adhere to the statutory requirement that

the regional center is not to purchase services that are available through agencies that receive public funds to provide such services. The allegation was made that the IRC inappropriately denied clients their speech therapy that was available through the school districts. Rather than continuing to pay for clients' speech therapy, the IRC had transferred responsibility for providing speech therapy to the school districts. Also, in one of the 47 cases that we reviewed, a client's services were disrupted because of the IRC's policy of obtaining services provided by privately funded agencies rather than purchasing services with regional center funds.

In one of the 47 cases that we reviewed, the client's services were disrupted after the IRC reassessed the client's continued eligibility for services. The IRC found that the client, who was receiving services for infants who were "at risk" of becoming developmentally disabled, did not exhibit signs of being developmentally disabled. Therefore, the IRC terminated this client's services.

Based on our review of the 29 cases identified by parents and service providers, 18 appeals cases, and 25 other case files, we could not substantiate the claims of drastic service disruptions or any evidence that the IRC had inappropriately sought to deny regional center services.

Inadequate Local Control

The IRC's governing board does not meet the statutory requirements for appropriate geographic representation. The regional center's board of directors is responsible for establishing the program policies of the regional center, such as the purchase of service policy. Developmental Disabilities Area Board X and a coalition of parents filed suit against the department claiming that the IRC board was not sufficiently representative of their community and, therefore, deprived them of local control of the regional center. On

March 3, 1986, a Los Angeles County Superior Court agreed and ordered that the department contract with a new governing board that meets the requirements of geographical representation by July 1, 1986.

INTRODUCTION

The Department of Developmental Services (department) provides services to persons with developmental disabilities and is responsible for setting statewide policy for the services it supplies to the developmentally disabled. The department provides these services through a system of 21 independent, nonprofit regional centers throughout the State. The department has contracts with the regional centers to provide local services to the developmentally disabled and their families. Each privately operated regional center is responsible for assessing and diagnosing clients' disabilities, managing clients' cases, planning and evaluating services for clients, and obtaining appropriate services from outside sources.

These regional centers serve people with developmental disabilities that are defined in the Lanterman Developmental Disabilities Services Act (the Lanterman Act) Section 4500 et seq. of the Welfare and Institutions Code. According to this act, developmental disabilities include mental retardation, handicaps closely related to mental retardation, and handicaps that require treatment similar to that used for mental retardation. Developmental disabilities do not include handicaps that are solely physical, however. Under this definition, persons with cerebral palsy, epilepsy, and other neurological conditions are classified as developmentally disabled. These persons are eligible to receive services if the

disability originates before they are 18 years old, if the condition is expected to continue indefinitely, and if the disability constitutes a substantial handicap.

In addition, the Lanterman Act requires each regional center to establish a governing board of directors with representatives from the community who reflect the population of the area the center serves. The board is responsible for developing the regional center's "Purchase of Service" policy, which defines the services to be purchased, such as residential care, transportation, day programs, and certain types of medical care.

The Lanterman Act also precludes regional centers from paying for services that other agencies receive public funds to provide. For example, medical treatment from Medi-Cal or California Children's Services or special education programs from local school districts should be provided to regional center clients without regional center expenditure. These services are referred to as "generic services."

The Termination of the San Gabriel
Valley Regional Center, Inc., Contract

In 1975, the department contracted with the San Gabriel Valley Regional Center, Inc. (SGVRC), to operate a developmental disabilities regional center in the San Gabriel Valley area, which includes the health districts of Monrovia, El Monte, and Pomona in Los Angeles County. In the San Gabriel Valley area, there are approximately 3,800

developmentally disabled clients. During fiscal year 1983-84, the department found that the SGVRC was failing to comply with the contract requirement that it monitor the quality of services provided to clients in out-of-home residential care. As a result, in the fiscal year 1984-85 SGVRC contract, the department required the SGVRC to correct these deficiencies under increased scrutiny by the department.

The department found during the first eight months of fiscal year 1984-85 that the SGVRC was not taking adequate corrective action to improve its monitoring of residential facilities, and the department found indications of additional management problems. Consequently, on March 5, 1985, the department conducted an on-site review of the SGVRC's residential facility monitoring system and fiscal/accounting system. This review disclosed that the SGVRC was substantially out of compliance with contract requirements, that the SGVRC's fiscal operations were disorganized and without adequate controls, and that the SGVRC lacked the necessary administrative procedures to accurately assess its financial condition.

Also, in March 1985, the Association of Regional Center Agencies, a nonprofit association that represents all regional centers, conducted an independent review of the SGVRC's case management and financial systems. The findings of this association agreed with the department's review.

As a result, on March 29, 1985, the department notified the SGVRC that it would not renew the SGVRC contract for fiscal year 1985-86. The department assessed its alternatives for continuing client services in the San Gabriel Valley. Because of the severity of the problems at the SGVRC, the department decided that only another contracting agency with the resources, systems, and experience to operate a regional center could correct the SGVRC's deficiencies. Therefore, in May 1985, the department offered the Inland Counties Regional Center, Inc. (IRC), which serves the developmentally disabled in San Bernardino, Inyo, Riverside, and Mono counties, the contract for the San Gabriel Valley.

Operation of the San Gabriel Valley
Area Regional Center By the Inland
Counties Regional Center, Inc.

On July 1, 1985, the IRC assumed responsibility for the regional center in the San Gabriel Valley area. The IRC established a separate management staff that began operating the regional center from the same location as the SGVRC. The IRC management quickly discovered that the situation at the regional center was far worse than either the department's or the Association of Regional Center Agencies' reviews had revealed. For instance, approximately 320 clients were in danger of losing their eligibility for Supplemental Security Income because the SGVRC lacked the records to determine when the clients had exceeded the resource limits set by the Social Security Administration. One client exceeded the \$1,600 limit by over \$21,000. In addition, the

SGVRC had no caseload tracking system. The IRC also found that the SGVRC was out of compliance with numerous statutes and regulations, including quarterly monitoring of residential facilities to ensure that clients receive quality services and protection from neglect or abuse. Based upon its findings, the IRC management developed and implemented a corrective action plan to remedy these deficiencies.

During the first six months that the IRC operated the regional center, the IRC established a system of accounting controls that eliminated the SGVRC's financial deficiencies. In addition, the IRC management assigned to each client a case counselor whom the IRC has ensured makes periodic "face-to-face" visits to clients, both in the home and at residential care facilities. Also, the IRC has ensured that the center meets the statutory requirements for determining a prospective client's eligibility for services. Furthermore, the IRC has established new programs, such as a joint prevention program with local hospitals to identify infants who are "at risk" of becoming developmentally disabled because of their parents' or their own medical history. These infants are accepted into the center once identified as developmentally disabled. The IRC has also hired an attorney as clients rights advocate, a genetics counselor, and a resource development and training supervisor to improve client services.

SCOPE AND METHODOLOGY

The purpose of our review was to evaluate the allegations of disruptions in client services that occurred after the IRC assumed responsibility for the San Gabriel Valley regional center. Our evaluation included a review of 72 of the 3,800 client files at the regional center.

To understand the IRC's methods for providing client services, we selected 25 files for review: 10 files of clients who are eligible for regional center services, 5 files of clients whom the IRC had reevaluated and found to be no longer eligible for regional center services, 5 files of new clients whom the IRC had found to be eligible, and 5 files of prospective clients whom the IRC found to be ineligible.

To determine if service disruptions had taken place, we reviewed an additional 47 case files of regional center clients. We met with parents and service providers in the San Gabriel Valley, and they gave us the names of 29 clients affected by the IRC's assumption of the regional center contract. The remaining 18 case files that we reviewed represent all the appeals by clients and parents who, between July 1, 1985 and December 1, 1985, contested the IRC's changes or denials of services.

To complete our review of case files, we also interviewed department staff and IRC staff.

AUDIT RESULTS

CLIENTS' SERVICES WERE DISRUPTED AT THE SAN GABRIEL VALLEY REGIONAL CENTER

The services for developmentally disabled clients in the San Gabriel Valley area were disrupted after the Department of Developmental Services (department) awarded the regional center contract for the San Gabriel Valley area to the Inland Counties Regional Center, Inc. (IRC). The service disruptions occurred when the IRC introduced a new case management system, implemented accounting controls, revised policies for the purchase of client services, and redetermined clients' eligibility for regional center services. We were, however, unable to substantiate the claims made by parents and service providers that the IRC has drastically reduced or eliminated services or improperly limited or denied eligibility to clients seeking regional center programs.

In addition, according to a court decision, the developmentally disabled clients served by the IRC did not have adequate "local control" over the regional center because the area served by the IRC is not adequately represented on the IRC's board of directors. Therefore, residents of the San Gabriel Valley cannot sufficiently establish policies that govern the regional center. On March 3, 1986, a Los Angeles County Superior Court ruled that the San Gabriel Valley regional center should be turned over to a new

contracting agency under "local control" by July 1, 1986. In October 1985, the department had already initiated a process to select a new contracting agency.

Service Disruptions Caused by
a New Case Management System

Many clients were assigned a new case counselor after the IRC introduced its new case management system, which was implemented to meet state requirements.

Welfare and Institutions Code Section 4648 requires that a regional center assign a case counselor to each client. When it assumed the contract, the IRC identified over 800 cases that had not been assigned a case counselor. Furthermore, the department budgets for a ratio of 62 clients to each counselor (62:1). The department determined in April 1985 that the SGVRC caseload ratio was 73:1. The IRC also found that some counselor caseload ratios were as high as 200:1 and that the SGVRC had improperly assigned a caseload of clients to the SGVRC accountant.

To meet state requirements and correct serious SGVRC problems, the IRC introduced a new case management system that ensured that each client was served by a counselor. The IRC reduced the caseload ratio to 62 clients for each counselor. The new system, according to the chief of IRC case management, assigns clients to case counselors based on the age of the client. For example, infants are assigned to

counselors whose caseload is all infant clients. In contrast, the SGVRC assigned clients to counselors based on the clients' placement in either residential care facilities or in the home. When the IRC introduced its new system and the SGVRC staff left the regional center, many clients received a new counselor. Some clients considered having to deal with a new, unfamiliar counselor as being a disruption of their services.

Service Disruptions Caused by New Accounting Controls

In 10 of the 47 cases we reviewed, clients alleged to have had problems with the IRC's payment of their Supplemental Security Income (SSI). The IRC implemented accounting controls to correct major SGVRC accounting problems. One of the results of the new controls was that some clients received their payments later than they had from the SGVRC.

The SGVRC had no means of accounting for clients' SSI funds, and the IRC found that the SGVRC sent clients their SSI payments before it had received the funds from the federal government. This lack of accounting controls for the SSI funds allowed some clients to receive more SSI payments than they were entitled to. For example, in one of the ten files we reviewed, the client had been overpaid over \$4,800.

To correct this accounting problem, the IRC implemented accounting controls that prohibit monies from being paid out before

they are received. As a result, some clients have received their SSI payments later than they would have received their SSI payments from the SGVRC. Seven of the ten clients we reviewed are no longer affected by the IRC's accounting controls because the clients have their SSI payments sent directly to their homes.

Service Disruptions Caused When the IRC Revised the Purchase of Service Policy

The IRC revised the SGVRC's purchase of service policy. The IRC restricted the use of respite care, met the statutory requirement of using other publicly funded services instead of regional center services, and made use of privately funded organizations. As a result, for some clients, service was disrupted or denied.

Disruptions Caused by Revisions in the Respite Care Policy

Respite care is the temporary, intermittent care of clients to relieve their families of the responsibility of caring for them. For example, if the single parent of a developmentally disabled child needs to be hospitalized, the parent may seek respite care for the child through the regional center. The regional center may then hire a qualified person to care for the child.

In 6 of the 47 cases we reviewed, clients were denied respite care when the IRC changed the SGVRC policy for providing respite care.

The SGVRC policy allowed 36 hours of respite care per month for any situation, whether it involved an emergency or other personal reasons. However, the IRC policy allows 36 hours of respite care per month for emergencies only or for protecting the health of the client. Such a policy change is acceptable under the Welfare and Institutions Code, which allows each regional center to set its own policies concerning the purchase of respite care services.

When the IRC implemented this policy change, some clients were denied respite care. For example, in one case, the parents of two developmentally disabled children requested that the IRC pay for the care of the children while the parents went on vacation. The IRC denied the request in part because the regional center had already provided summer camp for the children. The parents appealed the IRC's decision, and the request for respite was subsequently reinstated. In four of the six respite cases we reviewed, the respite care was reinstated.

Our review showed, however, that regional center clients have not been using all allocated respite care services. In the first six months of fiscal year 1985-86, only \$131,720 of the \$663,000 that the IRC had encumbered to pay for respite care for the year had been used by clients.

Disruptions Caused by the Use
of Publicly Funded Agencies

Some services to clients have been disrupted because the IRC has adhered to the Welfare and Institutions Code Section 4648, which prohibits the regional center from paying for services available through agencies that receive public funds to provide such services. These agencies include, among others, Medi-Cal, California Children's Services, and local school districts.

In 5 of the 47 cases that we reviewed, the allegation was made that the IRC inappropriately denied clients speech therapy. The IRC had transferred responsibility for speech therapy for 2 of these clients to the school districts. In one of the cases, responsibility for the client's speech therapy was transferred to the school district by the SGVRC before the IRC was awarded the regional center contract. In the other 2 cases, no disruption occurred because the service had not been previously authorized by the SGVRC. In each case, the regional center was acting in conformance with law.

In 2 of the 47 cases that we reviewed, the IRC notified the clients that it would discontinue payment for medications because the medications were available elsewhere at no cost to the regional center. In another one of the 47 cases, the IRC notified a client that it would not pay for a routine dental exam because this dental care was available elsewhere at no cost to the client and the regional center. However, after reviewing these cases, the IRC decided that the welfare

of these clients would be better served by the regional center's continuing these services.

Disruptions Caused by the Use of Privately Funded Agencies

Similarly, one client's services were disrupted because the IRC used private service agencies to fund client services rather than using regional center money to provide the service. The Association of Regional Center Agencies, the independent group that represents all regional centers, has developed regional center service standards that recommend the use of privately funded agencies such as the Easter Seal Society, the United Cerebral Palsy Association, and other similar service organizations, to provide services that would otherwise be funded with regional center funds. Unlike the SGVRC purchase of service policy, the IRC purchase of service policy emphasizes the use of privately funded agencies so that clients could obtain services at no cost to the regional center or themselves. In one case, a client received a free eye examination through the City of Hope's Down's Syndrome Project. The SGVRC had previously paid for an equivalent exam conducted by the same physician in his private offices.

Eligibility Disruptions

In reassessing one client's eligibility for regional center services, as allowed by the Welfare and Institutions Code, the IRC found the client ineligible. The IRC determined that this client, an

infant, did not show signs of being developmentally disabled and, therefore, was no longer eligible for regional center services.

Summary of Service Disruptions

In the 47 cases we reviewed, service had been disrupted for 22 clients. In the 25 remaining cases, the allegations of service disruptions were incorrect or not actual service disruptions. For instance, in 4 cases that the IRC was alleged to have denied eligibility to clients, the SGVRC had denied the clients eligibility. In another example, the allegation was that a five-year-old client had missed being enrolled in a school-age program at age three. However, we found that this client is not five years old and will not be three years old until September 1986.

Based on our review of these 47 cases (29 cases identified by parents and service providers and 18 appeals cases) as well as an additional 25 cases, we could not substantiate the claims of drastic service disruptions or find any evidence that the IRC had inappropriately sought to deny regional center services.

Local Control of the San Gabriel Valley Regional Center

According to a Los Angeles County Superior Court, the IRC's governing board does not meet the statutory requirements of appropriate geographic representation. Specifically, San Gabriel Valley residents do not have sufficient local control of the regional center.

Welfare and Institutions Code Section 4622 requires that the department contract only with agencies whose boards of directors conform to a series of requirements. One of the requirements is that the members of the board be drawn from the areas served by the regional center.

The IRC, as an existing contracting agency with the State, already had a 16-member board of directors whose members represent its service area of San Bernardino, Inyo, Mono, and Riverside counties. When the department awarded the San Gabriel Valley contract to the IRC, the IRC designated 3 of the 16 board of director positions for San Gabriel Valley residents.

In its contract with the IRC, the department asserted that the IRC board, with 3 positions for residents of the San Gabriel Valley, was in substantial compliance with Section 4622 of the Welfare and Institutions Code. The department noted that nothing in Section 4622 specifies rigid mathematical formulas to determine geographic representation. Nevertheless, the Developmental Disabilities Area Board X (area board) and a coalition of parents filed suit against the department claiming that the IRC board was not sufficiently representative of their community and, therefore, deprived them of local control of the regional center. The area board and parents asserted in their lawsuit that the members of a regional center's board are the means by which residents are able to control the development of the regional center's policies and guidelines. Since the IRC board,

according to the area board and the parents, does not have enough San Gabriel Valley residents as members, the clients and their families are deprived of local control of the San Gabriel Valley regional center.

On March 3, 1986, a Los Angeles County Superior Court agreed with the plaintiffs and ordered the department to comply with Section 4622 by contracting with a new contracting agency to operate the regional center. The new contracting agency must meet the requirements of geographical representation in order to provide local control of the regional center. The department is to contract by July 1, 1986, with the new contracting agency for the 1986-87 fiscal year. The department had already initiated a process to select a new contracting agency in October 1985.

CONCLUSION

Of the 47 developmentally disabled clients we reviewed at the San Gabriel Valley regional center, 22 had their services disrupted when the Department of Developmental Services awarded the regional center contract for the San Gabriel Valley to the Inland Counties Regional Center, Inc. The service disruptions occurred when the IRC introduced a new case management system, implemented new accounting controls, revised policies for the purchase of client services, and redetermined clients' eligibility for regional center

services. We were, however, unable to substantiate the claims that the IRC has drastically reduced or eliminated client services or has sought to limit or deny clients their eligibility for regional center services.

In addition, according to a court decision, clients of the IRC were not provided adequate representation on the IRC's governing board. As a result of a lawsuit by Developmental Disabilities Area Board X and parents of clients in the San Gabriel Valley, a Los Angeles County Superior Court ordered the department to select by July 1, 1986, a new contracting agency to operate the San Gabriel Valley regional center. The new contracting agency must be under the control of a local board consisting of residents of the San Gabriel Valley.

RECOMMENDATIONS

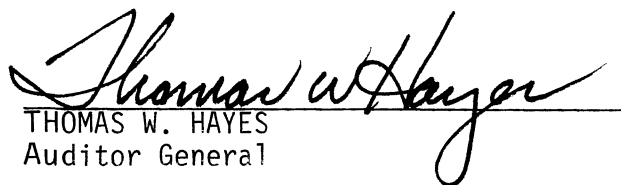
To ease future transitions between regional center contractors and to provide for adequate local control, the Department of Developmental Services should contractually require a transition plan similar to the IRC's corrective action plan. The plan should do the following:

- Specify the policies for providing and purchasing services;

- Specify the services that the new contractor must bring into compliance with state law and regulation;
- Specify the procedures for meeting the statutory requirements for local representation;
- Establish a timetable for completing the takeover of the new service area; and
- Provide for department monitoring during and after the transition.

We conducted this review under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,


THOMAS W. HAYES
Auditor General

Date: May 27, 1986

Staff: Thomas Britting, Audit Manager
Clifton John Curry
William W. Shepherd

Thomas W. Hayes

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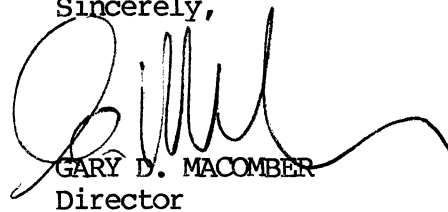
In your review of each of the areas of change/disruption you have substantiated the appropriateness of the actions taken by IRC in resolving the operations problems of the center and in serving the clients of the San Gabriel Valley area.

The Department acknowledges the findings of the report relative to the Court's decision: Parent's Coalition for 120 Days Versus the Department of Developmental Services.

The Department has no problem with the recommendation to contractually require a transition plan in the event that a change in contracting agencies becomes necessary.

Thank you for the opportunity to respond to the report.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Macomber", with a long horizontal flourish extending to the right.

GARY D. MACOMBER
Director

DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 9TH STREET
SACRAMENTO, CA 95814
TTY 323-5901



May 21, 1986

Thomas W. Hayes
Auditor General
660 J Street, Suite 300
Sacramento, CA 95814

Dear Mr. Hayes:

**A REVIEW OF ALLEGATIONS OF SERVICE DISRUPTIONS FOR DEVELOPMENTALLY
DISABLED CLIENTS OF THE SAN GABRIEL VALLEY REGIONAL CENTER**

The Department of Developmental Services (DDS) has reviewed the above-titled report issued by your office to Mr. James S. Stockdale, Acting Secretary, Health and Welfare Agency. Mr. Stockdale has asked me to respond.

The Department does not dispute or contest the factual information contained in the report with the exception of the statement that the Department requires the centers to maintain a 62:1 caseload ratio. The Department budgets using this ratio, however, centers continue to have latitude in their staffing within certain limitations. The Department does require the regional centers to maintain at least a 72:1 caseload ratio in its contract with the centers.*

The preponderance of evidence presented in your report clearly substantiates your most essential finding; you were "unable to substantiate the claims made by parents and service providers that the Inland Regional Center (IRC) has drastically reduced or eliminated client services or improperly sought to limit or deny clients' eligibility for regional center services."

While you have concluded that the services of some developmentally disabled clients in the San Gabriel Valley were disrupted, you have also clearly shown that this was caused by implementation of drastically needed changes in the operation of the regional center. Even though you have used the term "service disruption" in the broadest sense to mean any change for a client, you have also shown in your discussion the minimal negative impact these changes had on individual clients. In fact, it is obvious that the changes could only have been positive for large numbers of clients served in the San Gabriel Valley area. These changes included 1) implementation of a new case management system, 2) implementation of accounting controls, 3) implementation of a new purchase of service policy, 4) implementation of the statutory requirement to utilize the services of generic agencies, and 5) redetermination of clients' eligibility.

*The Auditor General's Comment: The text of the final report has been changed to show that caseload ratios are based on the department's budget.

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps